

Santiago, June 13, 2002

### **Press Release**

At its monthly monetary policy meeting held today, the Board of the Central Bank decided to keep the monetary policy interest rate at an annual 4% and leave liquidity credit lines unchanged at the levels prevailing since the previous meeting.

The regional situation has turned more uncertain and this is reflected in some countries' currencies and sovereign risk premiums. However, the better outlook for the world economy continues and there is a gradual improvement of terms of trade.

The latest figures on domestic economic activity are in general coherent with the scenario presented in May's *Monetary Policy Report*. Inflationary pressures continue low, with slight ups and downs during the coming months but underlying inflation remaining well centered within the target range.

The Central Bank reiterates its commitment to a flexible use of monetary policy to avoid deviations from the inflationary target.